

76-4504

20 December 1976

MEMORANDUM FOR THE RECORD

SUBJECT: National Security Council Meeting of 15 December 1976

NSC REVIEW
COMPLETED

1. In the Director's absence, I attended the meeting of the Principals Only of the National Security Council in the Cabinet Room. The subject was "NSSM 246" and the question of "What to do about future American Defense Forces and Strategies." Basically, the aim was to determine what decisions should be made now or reserved for the new Administration. The meeting was the second of two meetings of the NSC covering this subject.

2. The meeting began with Secretary Rumsfeld and his Briefing Officer, Dr. Wade, describing certain key problems which present themselves to American military planners. One revolves around attrition rates and re-supply problems, particularly in the case of a war in Europe. The American aim is to have a 90-day war-fighting capability in the event of major hostilities. To accomplish this aim was described as "one helluva problem."

3. After viewing the charts presented by Dr. Wade, the Vice President expressed some concern that high options did not include as much investment as he thought necessary to ensure the total safety of the American people and state. After some discussion of this, the President noted that American military supplies and equipment were heavily drawn down during the many years of fighting in Vietnam; there was a further draw-down of advanced American military equipment in re-supplying the Israelis after the Yom Kippur War of 1973; and, Congressional cuts have impacted on defense budgets for ten years. He questioned where the money can come from to meet any such demands as implicit in the higher options. He said he knew that the incoming President would find these charts to be full of excruciating problems.

4. Dr. Kissinger said that he took several key lessons away with him after studying the material put together in the course of addressing NSSM 246. First, the Soviets are increasing their strategic forces perceptibly, steadily, and impressively; no matter what the U.S. does with its strategic forces, we cannot achieve superiority, but nevertheless, we cannot afford to lose sight of political and psychological aspects involved in the Soviet improvement. Therefore, the U.S. should do something by way of improving its strategic forces. It is simply because of this dilemma in the strategic field that Dr. Kissinger believes that a lid should be put on the strategic forces of both sides. Kissinger went on to say that the single biggest future problem confronting this country in the immediate future, and ahead as long as ten years, is the

Soviet capability for regional attack. This will present American planners with extremely difficult problems and argues for improvement in American worldwide forces.

5. The President referred to a floor debate he once heard as a young Congressman in early 1950 concerning the American defense program. Congressman Mahon told the story at that time of a boy who had walked into a coat of armor in a museum, the coat of armor fell to the floor and the boy was mystified as to how something apparently so strong should fall so easily. The answer he received from an older man at his side was that there was no bone and muscle inside and the President said, "Without a strong economy and the will in this country, no arms investments of any size will really give us the strength we need." He did not want to participate in an unrealistic exercise in dealing with the future of American defense forces. We must be honest, realistic; we must have a healthy economy; we must have the will of the new leadership to face the magnitude of problems. Without a healthy economy and that kind of will, it will be impossible even to have on-going, effective programs in fields other than defense.

6. The Secretary of Defense said that U.S. defense expenditures now, as a burden on the American people, are the lowest since pre-Korea times. Incremental increases in defense expenditures cannot damage the economy, and this is the view held by economists in the country. The Secretary said he recognized that there is a political problem involved and that increasing defense investments might be difficult to accomplish. The President observed that increases in defense investment would require that all other programs be kept at or below current levels. The Secretary said, in his view, the question was what strategies are required to keep this country safe.

7. After a considerable discussion, the Director of OMB suggested that the President take three actions: First, that he refer to the need for strong defenses and major investments in this field in the State of the Union message to be given this month. Second, that he select options and strategies somewhere in the middle of the briefing charts provided by DOD, it being recognized in this area some improvements in all American military fields are made. And, third, that a draft NSDM be prepared, either for signature by President Ford or to be turned over to incoming President Carter, explaining that this is where the Ford Administration came out and then allow Carter to revise or issue as he sees fit.

8. The Vice President suggested that the President sign the NSDM himself and that the whole matter be explained clearly to the American people so that they all see the need to keep this country second to none in strength and power, and, therefore, make it difficult for the new Administration to lessen the strength which is required.

9. Secretary Kissinger agreed with the thrust of what the Vice President had to say. He said that the most important thing in his view is that the President explain to the people in a "valedictorian way," that the Soviet improvement of their own military forces presents us with a long-term problem that cannot merely be held over for an incoming Administration to decide upon. We must match a steadily developing Soviet threat with a steady investment in our own forces. He urged that the President do this in such a way that it not look like he is "sticking" a new Administration. His view was that if the President puts his case clearly and bases it upon a strong rationale, a sound theory, and specific numbers, that the new Administration will be unable to back too far away from the importance of defense improvements. He urged the President, in describing all this, to emphasize military requirements, security requirements, not just dollars.

10. The President said, "Well, we can't get well yesterday; this Administration has done a good job, the new one certainly cannot do a better job, particularly if it is inclined to put less money into all this."

11. After some brief discussion of a possible U.S. civil defense program to match what the Soviets have been doing in their country, the President said that as long as he was in charge of an Administration, not one dime would be invested in this, which he considered to be "feckless."

12. The upshot of the meeting was that the President would approve all of the additional studies described at the back of the NSSM 246 study and that each Agency and Department would be tasked accordingly. An NSDM will be drafted for President Ford's signature (virtually everybody there advised President Ford himself to sign this NSDM). A draft Presidential statement will be put together citing the need for steadiness of American purpose in improving its military forces to match the steadily improving Soviet machine. (It remained unclear under what circumstances the President will use this statement.)

13. Following this agreement as to the actions to be taken, there was a brief discussion of the problems involved in the perceptions of Soviet power. During this conversation, the Secretary of State said that he believed it was unfair to be criticized for advancing the cause of detente by pointing to "what the bastards are doing" in the Soviet Union. "What the bastards" are doing, the Secretary said, is what they have been doing steadily, year after year after year; that is, investing 7-10% of their GNP in military expenditures, then as the economy has grown, seeing to it that their military forces are expanded in quantity and quality. The President agreed that in describing what is necessary in the times ahead, we cannot indicate that what we are seeing is a sudden Soviet build-up; but he insisted that whatever is said, we must take pains to show how well the Ford Administration has done in investing in and improving American military forces at the same time.

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Mr. Knoche:

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